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State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

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Governor

GARY R. HERBERT
Lieutenant Governor

October 26, 2005

CERTIFIED RETURN RECEIPT
7002 0510 0003 8603 2854

Lonnie Mayhew
Harper Contracting, Inc.
8201 West 5400 South
P.O. Box 18400
Kearns, Utah 84118-0400

Subject: Five-Year Review of Reclamation Surety Estimate, Harper Contracting, Inc., Parleys Canyon Rock Mine, M/035/012, Salt Lake County, Utah

Dear Mr. Mayhew:

The Division conducts the periodic review of reclamation surety estimates to verify accuracy, make adjustments for escalation, and account for any site modifications that could result in a change of the surety amount presently being held for the site.

The reclamation surety for the Parleys Canyon Rock Mine is due for review as of year 2005. To assist us in this review, we request an updated map of your site showing current surface facilities and disturbances. Please provide the updated map at a scale of not less than 1 inch = 500 feet, which may include: buildings, stationary mining/processing equipment, roads, utilities, power lines, drainage structures (i.e. berms, culverts, etc.), topsoil, ore and product storage areas, overburden/waste dumps, tailings or processed waste facilities, solid and liquid wastes, and wastewater discharge treatment and containment facilities, etc. This map should include all areas which have been affected by this operation to date. Please ignore items listed above which do not apply to your site.

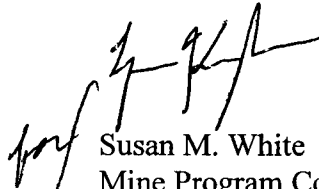
If any reclamation has been completed on the site since the last surety estimate review, complete the enclosed MR-Bond/Site-Release form. This form is also available on the Division web at www.dogm.utah.gov. Please provide a separate map of the same scale as the site map, clearly identifying these reclaimed areas, the acreage affected, and the date of the reclamation. Please cross-hatch or

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shade the areas to identify the reclamation treatments (i.e. ripping, regrading, mulching, seeding, etc.) which have been applied.

Please provide this information within the next 60 days or no later than December 27, 2005. If you are unable to meet this timeframe, please contact the Division with justification for requesting additional time. Thank you for providing this information to assist us in our surety estimate review. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

A handwritten signature in black ink, appearing to read 'Susan M. White', is written over a large, stylized, handwritten '1' or '4'.

Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:DJ:jb
Enclosure: Form MR-Bond/Site Release
cc: Doug Jensen, DOGM
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